No. 17-1625

In the Supreme Court of the United States

RIMINI STREET, INC., ET AL., PETITIONERS

v.

ORACLE USA, INC., ET AL.

ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

BRIEF FOR THE UNITED STATES AS AMICUS CURIAE SUPPORTING PETITIONERS

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QUESTION PRESENTED

Whether the Copyright Act's allowance for the recovery of "full costs," 17 U.S.C. 505, permits a prevailing party to recover expenses that the party incurs as a result of the litigation, but that are not taxable under 28 U.S.C. 1920.

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INTEREST OF THE UNITED STATES

This case concerns the interpretation of 17 U.S.C. 505, which authorizes district courts to award "full costs" in suits brought under the copyright laws, see 17 U.S.C. 101 *et seq.* Several federal agencies have an interest in the operation of the copyright system and in the proper interpretation of the copyright laws. See, *e.g.*, 17 U.S.C. 701 (Copyright Office); 35 U.S.C. 2(b)(8) and (c)(5) (Patent and Trademark Office). The United States therefore has a substantial interest in the Court's disposition of this case.

STATEMENT

1. The Constitution confers on Congress the power to promote the "Progress of Science * * * by securing [to Authors] for limited Times * * * the exclusive Right to their * * * Writings." U.S. Const. Art. I, § 8, Cl. 8. Under that authority, Congress has enacted legislation,

17 U.S.C. 101 *et seq.* (Copyright Act or Act), granting protection to "original works of authorship fixed in any tangible medium of expression," 17 U.S.C. 102(a). Protection under the Act confers on the author of an original work certain exclusive statutory rights, including the rights to copy, distribute, and display the work. 17 U.S.C. 106.

Once a work has been registered with the Copyright Office, the "owner of an exclusive right under a copyright is entitled * * * to institute an action for any infringement of that particular right committed while he or she is the owner of it." 17 U.S.C. 501(b); see 17 U.S.C. 411. A prevailing plaintiff in such a suit may recover "actual damages" and profits, 17 U.S.C. 504(b); statutory damages, 17 U.S.C. 504(c); and, in certain cases where the defendant lacks "reasonable grounds" for its defense, double licensing fees, 17 U.S.C. 504(d). The plaintiff also may seek injunctive remedies. 17 U.S.C. 502, 503. Of particular relevance here, the Act further provides for the recovery of litigation costs by a prevailing plaintiff or defendant:

> In any civil action under this title, the court in its discretion may allow the recovery of full costs by or against any party other than the United States or an officer thereof. Except as otherwise provided by this title, the court may also award a reasonable attorney's fee to the prevailing party as part of the costs.

17 U.S.C. 505.

2. Respondents develop, manufacture, and license computer software, including "enterprise" software designed for use by business firms. Pet. App. 5a. Respondents also sell support services, including periodic software updates, to their licensees. *Ibid.* Petitioners compete with respondents by providing "third-party

support" for customers who license respondents' enterprise software. *Ibid.*; see *id.* at 44a.

In 2010, respondents filed suit against petitioners, alleging that petitioners had infringed respondents' copyrights by downloading respondents' software programs onto petitioners' own computer systems and making copies in violation of the terms of respondents' software licenses. Pet. App. 6a, 44a. Among other things, respondents claimed that the creation and distribution of these unauthorized copies, which petitioners used to service clients, violated the Copyright Act. *Ibid.*; see 17 U.S.C. 106(1)-(3) and (5) (copyright owner's exclusive rights to "reproduce," to "prepare derivative works," to "distribute copies" of a copyrighted work, and to "display the copyrighted work publicly"); see also 17 U.S.C. 501 (defining copyright infringement). The district court granted partial summary judgment to respondents on certain aspects of their infringement claim, and a jury found in respondents' favor on other aspects of the claim. Pet. App. 6a, 77a. The jury awarded $35.6 million in damages, *id.* at 45a, and respondents obtained an order granting them a permanent injunction, attorney's fees, costs, and prejudgment interest. *Id.* at 6a; see *id.* at 46a-53a, 55a-57a, 59a-72a.

In their request for costs, respondents sought to recover for certain expenditures that 28 U.S.C. 1920 identifies as items that a district court "may tax as costs," as well as for other expenditures that are not so identified, commonly referred to as "nontaxable costs," Pet. App. 69a. The district court awarded approximately $4.95 million in taxable costs. *Id.* at 70a. Respondents sought more than $17.6 million in nontaxable costs, including reimbursement "for expert witness fees, additional e-discovery fees not included under 28 U.S.C.

§ 1920, contract attorney services, jury consulting, and other non-taxable costs." *Ibid.*; see *id.* at 74a-75a. The court granted in substantial part the request for non-taxable costs, concluding that the Copyright Act's allowance of "full costs" to a prevailing party, 17 U.S.C. 505, "permits a successful plaintiff to recover all costs incurred in litigation, not just taxable costs authorized by * * * 28 U.S.C. § 1920." Pet. App. 70a. The court reduced the award by 25%, however, to account for "various billing issues," and further reduced by 50% the costs associated with a particular expert witness because respondents had "only presented half" of her prepared testimony. *Id.* at 70a-71a. Those reductions produced a net award of approximately $12.8 million in non-taxable costs. *Id.* at 71a.

3. The court of appeals affirmed in part, reversed in part, and vacated in part the district court's judgment. Pet. App. 1a-35a. As relevant here, the court of appeals affirmed the jury's verdict and the award of damages on respondents' copyright-infringement claim. *Id.* at 7a-22a. The court also reduced the district court's award of taxable costs to account for an undisputed arithmetic error, *id.* at 32a-33a, and affirmed without modification the award of nontaxable costs, *id.* at 33a-35a.

Petitioners argued that, under 17 U.S.C. 505, a prevailing copyright litigant may recover only those costs that are taxable under 28 U.S.C. 1920. Pet. App. 34a-35a. The court of appeals rejected that argument. The court explained that it was "bound by" (*id.* at 34a) its prior holding in *Twentieth Century Fox Film Corp.* v. *Entertainment Distributing*, 429 F.3d 869 (9th Cir. 2005), cert. denied, 548 U.S. 919 (2006), that "the phrase

'full costs' within § 505" provides "clear evidence of congressional intent that non-taxable costs should be available" to a prevailing copyright litigant. *Id.* at 885.

SUMMARY OF ARGUMENT

The Ninth Circuit erred in construing the Copyright Act's authorization for "the recovery of full costs," 17 U.S.C. 505, to allow an award of expenditures that are not taxable under 28 U.S.C. 1920.

A. When the word "costs" appears in a federal cost-shifting provision that does not specify a different rule, the word is understood as a term of art that encompasses only the limited subset of expenditures that are listed in Section 1920. Section 505's authorization for an award of "full costs" to prevailing copyright litigants provides no sound basis for awarding a broader range of expenses. In using the adjective "full" to modify the defined term "costs," Section 505 simply authorizes courts to give prevailing litigants the entire amount of their taxable costs. Respondents' contrary reading, which would allow courts to award expenses that are not "costs" at all, stretches Section 505 beyond what its text can bear.

B. The history of cost-shifting in Anglo-American law reinforces this understanding. When Congress incorporated the term "full costs" into the copyright law in 1831, federal courts routinely taxed costs, in actions at law, according to the practices of the courts of the States in which they were located. At that time, the States regulated the awarding of legal costs through comprehensive fee bills that specified the types of litigation-related expenses that were reimbursable and the rates at which they could be taxed. Many such statutes awarded litigants "full costs" in certain circumstances. See, *e.g.*, 2 Rev. Stat. of the State of N.Y., pt. III,

ch. X, tit. 1, § 16 (1829). That term was used to distinguish other cases in which costs were capped in amount, *id.* § 6 (plaintiff who recovers less than $50 in damages may "recover no more costs than damages"), or in which a litigant might receive "double" or "treble" costs, *id.* § 25. The 1831 Congress signaled that costs in copyright suits should be taxed at listed state-law rates, rather than being adjusted up or down under statutory caps or award-multipliers.

Cost-shifting practices under English law reinforce this conclusion. English precedent recognized no distinction between statutes that authorized awards of "full costs" and those that referred simply to "costs." Indeed, English courts repeatedly rejected litigants' attempts to invoke statutory "full costs" language in order to broaden the range of taxable expenses.

The history of American copyright law points in the same direction. When the term "full costs" was first incorporated in 1831, the awarding of costs to prevailing copyright plaintiffs was mandatory. The statutory command to award "full costs" therefore could be understood as directing courts to grant the full *amount* of taxable costs, rather than as defining the *types* of expenses that could be awarded. Although the awarding of costs in copyright suits was made discretionary in 1976, there is no sound reason to construe that change as giving the term "full costs" a meaning substantially broader than the one it had borne during the previous 145 years.

C. Limiting cost awards in copyright litigation to expenses that are taxable under Section 1920 fosters predictability and consistency, by establishing clear guidelines for courts and copyright litigants. District courts are well-versed in awarding costs under Section 1920. By contrast, the open-ended regime adopted by the

Ninth Circuit would leave district courts with unconstrained discretion, undermine litigants' ability to predict what costs are likely to be awarded, and incentivize parties to litigate over every substantial nontaxable expense.

ARGUMENT

THE COPYRIGHT ACT DOES NOT AUTHORIZE COURTS TO AWARD COSTS BEYOND THOSE THAT ARE TAXABLE UNDER 28 U.S.C. 1920

As used in federal cost-shifting provisions, the word "'costs' is a term of art." *Arlington Cent. Sch. Dist. Bd. of Educ.* v. *Murphy*, 548 U.S. 291, 297 (2006) (citation omitted). Absent clear evidence of a contrary congressional intent, that word is understood to refer solely to the expenses enumerated in the general federal cost-shifting statute, 28 U.S.C. 1920. The Copyright Act's authorization for the award of "full costs" to a prevailing party, 17 U.S.C. 505, does not supersede that limitation. The word "full," construed in accordance with its plain meaning, does not expand the *types* of litigation-related expenses for which a court may order reimbursement, but rather addresses the *amounts* that can be awarded. The historical usage of the term "full costs" in Anglo-American law reinforces that understanding

A. The Copyright Act's Authorization Of An Award Of "Full Costs" Does Not Extend Beyond Costs That Are Taxable Under Section 1920

1. "Although 'costs' has an everyday meaning synonymous with 'expenses,'" the term carries a more "limited" meaning when used in a rule or statute that authorizes the shifting of financial burdens between parties in litigation. 10 Charles Alan Wright et al., *Federal Practice and Procedure* § 2666, at 202 (3d ed. 1998)

(Wright & Miller). Costs awardable in litigation typically "are limited to relatively minor, incidental expenses," such as docketing fees and printing costs, that are consistent and easily ascertainable in amount. *Taniguchi* v. *Kan Pac. Saipan, Ltd.*, 566 U.S. 560, 573 (2012). Because a statutory reference to "costs" contemplates a fixed universe of litigation-related outlays, rather than "all expenses incurred by [a] prevailing" litigant, *Murphy*, 548 U.S. at 297, an award of costs "almost always amount[s] to less than the successful litigant's total expenses in connection with a lawsuit," *Taniguchi*, 566 U.S. at 573 (quoting Wright & Miller § 2666, at 203). The term "costs" stands in contrast to more "open-ended" terms such as "expenses," *Murphy*, 548 U.S. at 297, which are understood to "include all the expenditures actually made by a litigant in connection with the action." Wright & Miller § 2666, at 203-204; see, *e.g.*, 10 U.S.C. 2409(c)(1) (distinguishing between "costs" and "expenses"); 11 U.S.C. 363(n) (similar); 28 U.S.C. 1447(c) (similar); 33 U.S.C. 1367(c) (similar).

The assessment of costs, a process commonly referred to as taxation, "most often is merely a clerical matter that can be done by the court clerk." *Taniguchi*, 566 U.S. at 573 (citation omitted). Under the Federal Rules of Civil Procedure, costs are allowed to the prevailing party as a matter of course, unless a statute, rule, or court order provides otherwise. Fed. R. Civ. P. 54(d)(1). The clerk of the court may tax costs against the losing party "on 14 days' notice," with review by the district court available by motion served within seven days. *Ibid.*; see Wright & Miller § 2679, at 485 (noting that, until 2009, "the clerk [could] tax costs on one day's notice").

The general cost-shifting statute, 28 U.S.C. 1920, identifies the categories of expenses that a federal court "may tax as costs." Section 1920 "embodies Congress' considered choice as to the kinds of expenses that a federal court may tax as costs against the losing party." *Crawford Fitting Co.* v. *J. T. Gibbons, Inc.*, 482 U.S. 437, 440 (1987). The current version of Section 1920 lists six categories of taxable costs:

> (1) Fees of the clerk and marshal;
>
> (2) Fees for printed or electronically recorded transcripts necessarily obtained for use in the case;
>
> (3) Fees and disbursements for printing and witnesses;
>
> (4) Fees for exemplification and the costs of making copies of any materials where the copies are necessarily obtained for use in the case;
>
> (5) Docket fees under [28 U.S.C. 1923];
>
> (6) Compensation of court appointed experts, compensation of interpreters, and salaries, fees, expenses, and costs of special interpretation services under [28 U.S.C. 1828].

A separate provision, 28 U.S.C. 1821, prescribes the amount of per diem, mileage, and other fees that may be paid for any "witnesses" referenced in Subsection (3) of Section 1920. Together, Sections 1920 and 1821 impose "an express limitation upon the types of costs which, absent other authority, may be shifted by federal courts." *West Va. Univ. Hosps., Inc.* v. *Casey*, 499 U.S. 83, 87 (1991).

2. Section 1920 does not simply limit the range of expenses that may be awarded in cases where no other cost-shifting provision applies. Rather, this Court has

understood the categories of expenses listed in Section 1920 to *define* the term "costs" as it appears in *other* cost-shifting provisions. See *Murphy*, 548 U.S. at 301 (holding "that the term 'costs' in [the IDEA] * * * is defined by the categories of expenses enumerated in 28 U.S.C. § 1920"); *Crawford Fitting*, 482 U.S. at 441 ("We think the better view is that § 1920 defines the term 'costs' as used in Rule 54(d).").

In *Crawford Fitting*, the Court addressed whether federal courts had the power, under a Federal Rule of Civil Procedure that authorized the awarding of "costs" to a prevailing party, "to require a losing party to pay the compensation of the winner's expert witnesses," a type of litigation-related expense that is not taxable under Section 1920. 482 U.S. at 438. The Court considered the history of Section 1920 and its predecessors, which had "comprehensively regulated fees and the taxation of fees as costs in the federal courts." *Id.* at 440. That purpose, the Court noted, "ha[s] been carried forward to today, 'without any apparent intent to change the controlling rules.'" *Ibid.* (quoting *Alyeska Pipeline Serv. Co.* v. *Wilderness Soc'y*, 421 U.S. 240, 255 (1975)). Rather than construing the federal Rule to authorize reimbursement of costs "above and beyond the items listed" in Section 1920, the Court found in the Rule "solely a power to decline to tax, as costs, the items enumerated in § 1920." *Id.* at 441-442. "Any argument that a federal court is empowered to exceed the limitations explicitly set out in §§ 1920 and 1821," the Court concluded, must rest on "plain evidence of congressional intent to supersede those sections." *Id.* at 445.

In *Casey*, the Court applied the plain-evidence rule it had articulated in *Crawford Fitting*. The Court in *Ca-*

sey addressed whether the district court, under a statute that authorized a prevailing party to recover "a reasonable attorney's fee as part of the costs," 42 U.S.C. 1988 (1988), could order reimbursement of expenditures for nontestimonial expert services provided to a prevailing plaintiff. In concluding that such expert fees were not reimbursable, this Court described *Crawford Fitting* as holding that Sectior 1920 and 1821 "define the full extent of a federal court's power to shift litigation costs absent express statutory authority to go further." *Casey*, 499 U.S. at 86. The Court explained that, since "[n]one of the categories of expenses listed in § 1920 can reasonably be read to include fees for services rendered by an expert employed by a party in a nontestimonial advisory capacity," those expenses could not be imposed on the defendant absent some other "explicit statutory authority." *Id.* at 87. The Court went on to reject the plaintiff's argument that sufficient authority could be found in the fee-shifting statute's reference to "a reasonable attorney's fee," given the consistent distinction drawn by statutes and judicial opinions between attorney's fees and expert fees. *Id.* at 88 (citation omitted); see *id.* at 88-97.

More recently in *Murphy*, *supra*, the Court applied the same default rule to conclude that expert fees could not be shifted under an Individuals with Disabilities Education Act (IDEA) provision that authorizes a court to "award reasonable attorneys' fees as part of the costs," 20 U.S.C. 1415(i)(3)(B). The Court explained that Congress's use of the term "costs," rather than a more "open-ended" term such as "expenses," "strongly suggest[ed]" that the provision was not intended to permit an award of "all expenses incurred by prevailing" liti-

gants. 548 U.S. at 297. The Court held that the "recoverable costs" under the IDEA provision were "obviously the list set out in 28 U.S.C. § 1920, the general statute governing the taxation of costs in federal courts, and the recovery of witness fees under § 1920 is strictly limited by § 1821." *Id.* at 297-298; see *id.* at 301 ("The reasoning of *Crawford Fitting* strongly supports the conclusion that the term 'costs' in [the IDEA] * * * is defined by the categories of expenses enumerated in 28 U.S.C. § 1920."). Because the IDEA provision lacked the "explicit statutory * * * authorization" required by *Crawford Fitting* and *Casey*, the Court concluded that it did not permit a prevailing party to recover expert fees. *Id.* at 301 (quoting *Crawford Fitting*, 482 U.S. at 445).

3. By its plain terms, the Copyright Act's authorization of an award of "full costs" is limited to costs that are taxable under Section 1920. Like the federal Rule and the statutes construed in *Crawford Fitting*, *Casey*, and *Murphy*, 17 U.S.C. 505 authorizes the district court to award the "costs" of suit to a prevailing party. And, as explained above (see pp. 9-10, *supra*), this Court has construed Section 1920 as presumptively defining the word "costs" for purposes of other cost-shifting provisions. Congress's "use of this term of art, rather than a term such as 'expenses,' strongly suggests that [Section 505] was not meant to be an open-ended provision that makes [losing litigants] liable for all expenses incurred by prevailing [litigants]." *Murphy*, 548 U.S. at 297; cf., *e.g.*, 15 U.S.C. 1071(b)(3) ("[A]ll the expenses of the proceeding shall be paid by the party bringing the case."); 35 U.S.C. 145 ("All the expenses of the proceedings shall be paid by the applicant.").

If the word "costs" is defined in the manner dictated by this Court's precedents, and the word "full" is given

its ordinary meaning, the term "full costs" refers unambiguously to the entire amount of the expenses that are identified as taxable in Section 1920. See *Webster's Third New International Dictionary* 918 (1993) (defining "full" as "containing all that can possibly be placed or put within"). Although Congress can prescribe a different rule for particular cost-shifting provisions, Section 505's inclusion of the adjective "full" does not imply any intent to depart from the presumptive meaning of the noun "costs." Its authorization for courts in copyright cases to award "full costs" therefore cannot justify an award of expenses that are not "costs" at all under the interpretive approach this Court has mandated.

4. In affirming the district court's award of nontaxable costs in this case, the court of appeals relied on its prior decision in *Twentieth Century Fox Film Corp.* v. *Entertainment Distributing*, 429 F.3d 869 (9th Cir. 2005), cert. denied, 548 U.S. 919 (2006). The court in *Twentieth Century Fox* concluded that, in order to give operative effect to the word "full" in Section 505, the term "full costs" must encompass *all* litigation expenses, rather than all of the "costs" specified in Section 1920. The court viewed that approach as compelled by "the long standing principle of statute interpretation that statutes should not be construed to make surplusage of any provision." *Id.* at 885 (internal quotation marks omitted).

That analysis is unpersuasive. As an initial matter, reading "full costs" as requiring compensation for *all* litigation-related expenses would give rise to its own surplusage problem. The second sentence of Section 505 states that a court "may also award a reasonable attorney's fee to the prevailing party as part of the costs," an authorization that would be unnecessary if "full

costs" already covered all litigation expenses. As explained below, moreover, the court of appeals' reading of the term "full costs" as extending beyond costs taxable under Section 1920 is inconsistent with the history of the Copyright Act, and of fee-shifting in Anglo-American law more generally.

In any event, uncertainty as to what (if any) operative effect the word "full" has in current Section 505 provides no sound basis for the Ninth Circuit's decision. If a law provided that an employee injured on the job would receive his "full wages" during the period he was unable to work, a court would not naturally conclude that an employee was entitled to payments beyond those that would otherwise constitute "wages," simply to prevent the word "full" from being rendered superfluous. The same principle applies here. Even if the word "full" has no practical significance in the current version of Section 505, that fact does not justify the court of appeals' expansive reading of the provision, which disregards the legal principles articulated by this Court for identifying reimbursable litigation-related "costs." Cf. *Cyan, Inc.* v. *Beaver Cnty. Emps. Ret. Fund*, 138 S. Ct. 1061, 1075 (2018) (explaining that neither "uncertainty surrounding Congress's reasons for drafting" a particular statutory provision, nor "the possibility that the risk Congress addressed * * * did not exist," could provide a "sound basis for giving the [provision] a broader reading than its language can bear").

B. The History Of Cost-Shifting Under Anglo-American Law, Including Under The Copyright Laws, Supports Limiting "Full Costs" In Section 505 To Costs Taxable Under Section 1920

Congress first incorporated "full costs" language into the copyright laws in 1831. See Act of Feb. 3, 1831

(1831 Act), ch. 16, 4 Stat. 436. In addition to authorizing courts to grant injunctive relief "according to the principles of equity," § 9, 4 Stat. 438, the 1831 Act granted several forms of legal relief to authors whose copyrights were infringed, including statutory penalties and forfeitures, §§ 6, 7, 11, 4 Stat. 437, 438, as well as "all damages occasioned by such injury," § 9, 4 Stat. 438. It also mandated that, "in all recoveries under this act, either for damages, forfeitures, or penalties, full costs shall be allowed thereon, any thing in any former act to the contrary notwithstanding." § 12, 4 Stat. 438-439.

Little direct evidence exists regarding the particular categories of expenses that were thought to be taxable in copyright cases under the original "full costs" provision of the 1831 Act. But the contemporaneous practice of fee-shifting under English and early American law suggests that the term "full costs" referred to the *amount* of "costs" that a court could award, rather than to the *types* of taxable expenses that constituted "costs" in the first instance.

1. The term "full costs" was understood in early American law as describing the amount, rather than the types, of costs that a court could tax

a. While courts of equity have always had discretion to adjust the burdens of suit in the interests of justice, "[a]t common law, costs were not allowed," *Alyeska Pipeline*, 421 U.S. at 247; see *Trustees* v. *Greenough*, 105 U.S. 527, 535-536 (1882) (distinguishing between legal and equitable cost-shifting). In actions at law, a court's authority to shift costs between litigants was "based entirely on statute." Arthur L. Goodhart, *Costs*, 38 Yale L.J. 849, 851 (1929) (*Costs*). Statutory authority for the awarding of legal costs dates as far back as the Statutes of Gloucester, 1278, 6 Edw. 1, c. 1 (Eng.),

which permitted certain successful plaintiffs to recover from the defendant "the Costs of his Writ purchased." See *Costs* 852. Later statutes capped the monetary amounts that could be recovered in certain situations. For instance, an Elizabethan-era statute provided that "in most personal actions[,] if the debt or damages to be recovered did not amount to forty shillings then the plaintiff could not recover more costs than damages and might be awarded less." *Ibid.* (citing Frivolous Suits Act, 1601, 43 Eliz. c. 6, § 2 (Engl.)).

Both before and after the Founding, the States strictly regulated cost-shifting by courts, usually by enacting fee bills that set forth exhaustive lists of reimbursable costs and the rates at which those costs could be taxed. See *Costs* 874 ("[T]axable costs were fixed in amount."). Such statutes prescribed fees for services performed by various government officials, which could then be taxed against unsuccessful litigants. New Hampshire's fee bill, for instance, gave justices of the peace 10 cents "[f]or every writ of subpoena" and 17 cents "[f]or every writ of summons or writ of attachment with summons" issued in a civil case, and 34 cents "[f]or taking bail of persons committed in criminal cases, for each offender." Act regulating fees and repealing certain acts relative to the same, § 2 (1820), *reprinted in* Laws of the State of N.H., tit. LXXI, ch. 1, at 316-317 (1830). States also specified the rates at which other litigation-related expenses, such as witness fees, could be taxed. See, *e.g.*, Act establishing and regulating the Fees of the several Officers and other persons therein mentioned, § 1 (1821), *reprinted in* Laws of the State of Me., ch. 105, at 349 (1830) ($1 per day for attendance and $.04 per mile for travel).

As under English law, the States' fee statutes often capped or adjusted the amount of costs that could be awarded under particular circumstances. Under New York law, for example, a plaintiff who recovered less than 50 dollars in damages in certain civil suits could "recover no more costs than damages." 2 Rev. Stat. of the State of N.Y., pt. III, ch. X, tit. 1, § 6 (1829). But in other cases a litigant would recover "full costs," *id.* § 16, "double costs," *id.* § 25, "twice the amount of his taxed bill of costs," *id.* § 33, "treble costs," *id.* § 25, or even "the amount of his taxed costs, and one-half thereof in addition," *id.* § 24. The term "full costs" was used in the statutes of many States, often in contrast with provisions that adjusted the amount of costs awardable, either by setting a numerical cap or through a multiplier.[1]

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[1] See, *e.g.*, Act to amend and reduce the several Acts of Assembly for the Inspection of Tobacco into one Act, §§ 22, 23 (1798), *reprinted in* 2 The Statute Law of Ky., ch. LXVI, at 154-155 (1810) (providing for "full costs" and "double costs" in various actions); Rev. Stat. of the Commonwealth of Mass., pt. III, tit. VI, ch. 121, §§ 4, 7, 8, 11, 18 (1836) ("one quarter" costs, "full costs," or "double costs"); Rev. Stat. of the State of Mich., pt. 3d, tit. 5, ch. 1, §§ 5, 18 (1838) ("full" and "double" costs); Stat. of the State of Miss. of a Pub. & Gen. Nature, ch. XLIII, §§ 49, 59, 60, 83, 84, 97 (1840) ("full" and "double" costs); Act concerning costs, Rev. 168, §§ 8, 9, 11 (1795), *reprinted in* Lucius Q.C. Elmer, *Digest of the Laws of New Jersey* 175 (1838) ("full costs" and "double costs"); 1 Rev. Stat. of the State of N.C., ch. 31, at 164 (1837) ("full costs"); *id.* ch. 4, at 63 ("double costs"); Act for the sale of goods distrained for rent, §§ 3, 10 (1772), *reprinted in* 1 Laws of the Commonwealth of Pa., ch. DCXLV, at 371, 373 (1810) ("full costs" and "double costs"); Rev. Stat. of the State of Wisc., tit. XXIX, ch. 130, §§ 5, 12, 13, 48 (1849) ("full," "double," "treble," or "taxed costs, and one-half thereof in addition").

b. The Judiciary Act of 1789, ch. 20, 1 Stat. 73, authorized prevailing parties in federal-court suits to recover costs, see §§ 9, 11-12, 20-22, 1 Stat. 76, 78-79, 83-84, including in some cases "double costs," § 23, 1 Stat. 85. But the Judiciary Act "contain[ed] no fee bill," nor did it otherwise specify what categories of expenses could be taxed, or at what rates. *The Baltimore*, 75 U.S. (8 Wall.) 377, 388 (1869); see *id.* at 390; Philip M. Payne, *Costs in Common Law Actions in the Federal Courts*, 21 Va. L. Rev. 397, 401-402 (1935) (*Common Law Actions*). "Five days later, however, Congress enacted legislation regulating federal-court processes," including by specifying the costs that federal courts should award in civil suits. *Alyeska Pipeline*, 421 U.S. at 248 n.19. The so-called Process Act, Act of Sept. 29, 1789, ch. 21, 1 Stat. 93, directed federal courts to tax costs in actions at law at the rates prescribed by the State in which the court was located: "[The] rates of fees * * * in the circuit and district courts, in suits at common law, shall be the same in each state respectively as are now used or allowed in the supreme courts of the same." § 2, 1 Stat. 93; see *The Baltimore*, 75 U.S. (8 Wall.) at 90 ("By that act the modes of process and the rates of fees allowed in the Supreme Courts of the States, were expressly adopted as regulations in that behalf, in common law suits, in the District and Circuit Courts established by the prior act.").

The Process Act was drafted to expire at the end of the next congressional session, § 3, 1 Stat. 94, but Congress extended it twice, Act of Feb. 18, 1791, ch. 8, 1 Stat. 191, Act of May 26, 1790, ch. 13, 1 Stat. 123, before largely allowing it to lapse, Act of May 8, 1792, ch. 36, § 8, 1 Stat. 278. See *Alyeska Pipeline*, 421 U.S. at 248 n.19. "Temporary though the act was," however,

"still it was of sufficient duration to put the new system in complete operation." *The Baltimore*, 75 U.S. (8 Wall.) at 390. Thus, even after the Process Act ceased fully to apply in 1792, for cases at law, "the costs taxed in the Circuit and District Courts were the same as were allowed at that time in the courts of the State." *Id.* at 390-391; see *Costs in Civil Cases*, 30 F. Cas. 1058, 1059 (C.C.S.D.N.Y. 1852) (No. 18,284) (Nelson, Circuit J.) ("[T]he usage and practice of the circuit courts in taxing costs have uniformly been to apply the general rule prescribed in the [Process Act], namely, to fix the rate according to the fee bill of the state."); *Common Law Actions* 403 (similar); see, *e.g.*, *Ellis* v. *Jarvis*, 8 F. Cas. 554, 554 (C.C.D. Mass. 1824) (No. 4403) (Story, Circuit J.) ("In the state court, the plaintiff, upon the recovery, would have been entitled to his full costs; and I think, that this court in this suit is bound to administer the same law, as the party was entitled to in the state court.").

Over time, Congress became concerned about the lack of uniformity in the taxation of costs in federal courts. See Cong. Globe App., 32d Cong., 2d Sess. 207 (1853) (statement of Sen. Bradbury) (explaining that "[t]here is now no uniform rule either for compensating the ministerial officers of the courts, or for the regulation of the costs in actions between private suitors," so that "[o]ne system prevails in one district, and a totally different one in another"). Congress accordingly "undertook to standardize the costs allowable in federal litigation." *Alyeska Pipeline*, 421 U.S. at 251. The resulting legislation, "commonly referred to as the 'Fee Bill of 1853', was designed to reduce the expense of proceedings in the federal courts and to secure uniform rules throughout the United States." *Common Law Actions*

404. That law set out a comprehensive fee bill for proceedings at law, including the rates of reimbursement for attorneys, court clerks, federal marshals, jurors, and witnesses, as well as for printing fees. Act of Feb. 26, 1853, ch. 80, 10 Stat. 161; see *Alyeska Pipeline*, 421 U.S. at 251-252 (describing Fee Bill of 1853 as "a far-reaching Act specifying in detail the nature and amount of the taxable items of cost in the federal courts").

Throughout the following decades, Congress revised the list of taxable costs and rates available under the Fee Bill of 1853, see *Alyeska Pipeline*, 421 U.S. at 255-257, but left its general structure intact. See *Crawford Fitting*, 482 U.S. at 440 ("The sweeping reforms of the 1853 Act have been carried forward to today, 'without any apparent intent to change the controlling rules.'") (quoting *Alyeska Pipeline*, 421 U.S. at 255). The current provision is codified at Section 1920, which "now embodies Congress' considered choice as to the kinds of expenses that a federal court may tax as costs against the losing party." *Ibid.*[2]

c. As the preceding discussion shows, during the period in which Congress adopted the "full costs" language for copyright litigation, federal courts "uniformly" taxed costs, in actions at law, according to the practices of the States. *Costs in Civil Cases*, 30 F. Cas. at 1059. Although the 1831 Act empowered courts to award injunctive relief "according to the principles of

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[2] Although the Fee Bill of 1853 originally applied only to proceedings at law, following "the merger of law and equity in the federal courts," Section 1920 presumptively "control[s] a federal court's power" to award costs in all civil proceedings. *Crawford Fitting*, 482 U.S. at 443-444.

equity," 1831 Act § 9, 4 Stat. 438, the provision authorizing "full costs" applied only to "recoveries under th[e] act, either for damages, forfeitures, or penalties," § 12, 4 Stat. 438-439—that is, in cases of *legal* relief. Congress therefore would have expected costs to be taxed in such cases according to the rates set out in the relevant State's fee bill.

As noted above, state statutes often distinguished "full costs" from costs awarded under numerical caps that applied, for instance, where damages were less than a certain dollar amount; or from the "half," "double," or "treble" costs that applied in particular circumstances. See p. 17, *supra*. By providing for "full costs," Congress signaled that costs in copyright suits should be taxed at the listed state-law rates—no more and no less. That instruction would have been particularly useful in cases of statutory damages under the 1831 Act, because any amount "forfeit[ed]" due to infringement was to be divided equally between the copyright-holder and the United States. §§ 6-7, 4 Stat. 437-438. By specifying that a successful copyright plaintiff would receive his "full costs," Congress foreclosed any potential argument that the plaintiff's half-share of the recovery would entitle him to something less than a full cost award.

2. English practice drew no distinction between statutes that authorized "full costs" and those that merely authorized "costs"

At the certiorari stage, respondents advanced an alternative account of cost awards in early federal copyright cases. Respondents assert that, "at the Founding, state law followed 'the English practice of attempting to provide the successful litigant with *total reimbursement*.'" Resp. Br. in Op. 20 (quoting Wright & Miller

§ 2665). Emphasizing that the Process Act instructed federal courts to "apply state law in fashioning awards of costs and fees in suits at law," *ibid.*, respondents argue that the 1831 Act's provision for "full costs" was an instruction for courts to apply "the default state rule, under which prevailing copyright litigants received *all* of their costs, not just a subset," *id.* at 22 (emphasis omitted).

As explained above, however, in the early 19th century the States comprehensively regulated costs in proceedings at law by means of fee bills that specified in detail the litigation expenses that were reimbursable and the rates at which they could be taxed. See pp. 16-17, *supra*; see also Wright & Miller § 2665 ("At an early date the federal courts departed from the English practice of attempting to provide the successful litigant with total reimbursement and developed principles limiting the scope of taxable costs."); cf. *Fogerty* v. *Fantasy, Inc.*, 510 U.S. 517, 533-534 (1994) (rejecting argument that 17 U.S.C. 505 was intended to adopt British practice with regard to awarding attorney's fees). Thus, to the extent that the 1831 Act's "full costs" provision instructed federal courts to "apply state law," Resp. Br. in Op. 20, that instruction would have led such courts to tax costs at the rates specified in the relevant State's fee bill.

In any event, English law recognized no distinction between statutes that authorized the award of "full costs" and those that authorized "costs." Thus, in *Irwine* v. *Reddish*, (1822) 106 Eng. Rep. 1382 (K.B.), the court rejected a litigant's argument that a provision authorizing certain plaintiffs to recover "full costs" under the Distress for Rent Act, 1738, 11 Geo. 2, c. 19, § 6

(Eng.), was sufficient to override operation of the Frivolous Suits Act of 1601, 43 Eliz. c. 6, § 2 (Eng.), under which a judge was empowered, in certain cases, to deprive the plaintiff of his costs by certifying that his damages were less than 40 shillings. Because the plaintiff in *Irwine* recovered only 1 shilling in damages, the court concluded that his costs should accordingly be capped at 1 shilling. 106 Eng. Rep. at 1383. Although the Distress for Rent Act "gives full costs," the court explained, "that cannot make any difference, for no distinction is known in the law between costs and full costs, and in point of practice, there is no difference in the mode of taxation." *Ibid.*[3] The court in *Jamieson* v. *Trevelyan*, (1855) 156 Eng. Rep. 642 (Exchequer), similarly concluded that "the term 'full costs,' means ordinary costs as between party and party." *Id.* at 644 (Pollock, C.B.); see *ibid.* (Parke, B.) ("I agree that the term 'full costs' merely means the ordinary costs as between party and party.").[4]

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[3] A different reporter described Chief Justice Abbott's ruling in that case as follows:

> The officer of the Court says he knows of no distinction in the taxation of costs between *costs generally* and *full costs*. It is impossible in this Court to say that there can be any difference between *full* and *ordinary costs*. We have no mode of ascertaining the difference between the one and the other. They are precisely the same.

Irwin v. *Reddish*, (1822) 1 Dowl. & Ry. 413, 416 (Eng.).

[4] Courts sometimes used the term "full costs" in awarding the full *amount* of a litigant's taxable costs, usually in distinction to an award capped at a certain numerical threshold. See, *e.g.*, *Peddell* v. *Kiddle*, (1798) 101 Eng. Rep. 1185, 1185 (K.B.) (allowing "full costs" to plaintiff "notwithstanding he may have recovered less than 40s"); *Redridge* v. *Palmer*, (1791) 126 Eng. Rep. 396, 396-397 (K.B.) (where plaintiff recovered less than 40 shillings, concluding that

The question in *Avery* v. *Wood & Sons*, (1891) 65 L.T. 122 (Eng.), concerned interpretation of England's Copyright Act of 1842, which entitled a successful defendant to "have and recover his full Costs," *id.* at 122. After prevailing at trial, the defendants in *Avery* sought compensation for their attorney's fees, arguing that "the term 'full costs' as contained in the * * * Copyright Act [of] 1842" entitled them to be "fully indemnified against the costs incurred by them in resisting a claim to copyright that had failed." *Id.* at 123. The court rejected that argument, stating:

> [T]he term had been frequently used in Acts of Parliament prior to the Copyright Act 1842, and it must have been well known to the Legislature in 1842 to have been interpreted over and over again by the courts of common law as meaning merely "ordinary costs as between party and party." * * * *There has been no decision to the contrary, and the expression "full costs" has been used in all the Copyright Acts from the time of Anne.*

Id. at 123-124 (Lindley, L.J.) (emphasis added).

The italicized sentence is particularly significant because "Anglo-American copyright legislation begins in 1709 with the Statute of 8 Anne," *Fred Fisher Music Co.* v. *M. Witmark & Sons*, 318 U.S. 643, 647 (1943) (citing 1709, 8 Ann., c. 19 (Eng.)), and "the copyright laws enacted by the original thirteen states prior to 1789 were based largely upon the Statute of Anne," *id.* at 648, as was early federal copyright legislation, *id.* at 649-650. The Statute of Anne provided that a prevailing defend-

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plaintiff was "intitled to his full costs" rather than to "no more costs than damages").

ant in a copyright-infringement suit "shall have and recover his full Costs," § 8, a directive that was carried forward to the 1842 statute interpreted in *Avery*. The *Avery* court's understanding of "full costs" as simply "ordinary costs as between party and party," 65 L.T. at 124, supports a similar reading of the identical language in the 1831 Act. See H.R. Rep. No. 3, 21st Cong., 2d Sess. 1-2 (1830) (discussing Statute of Anne). Thus, to the extent that English practice is relevant here, it indicates that the term "full costs" does not expand the types of costs that are reimbursable in copyright-infringement suits.

3. The history of American copyright law confirms that "full costs" is best read as referring to the amount of compensation that may be awarded

a. In 1790, Congress enacted the first federal copyright statute, which conferred protection for, among other works, "any map, chart, book or books already printed within these United States." Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124. The statute authorized registered authors to bring infringement suits, in the form of an "action of debt," to recover statutory damages for each violation, with "one moiety thereof" (*i.e.*, one share) payable to the author and another "moiety" payable to the United States. § 2 , 1 Stat. 125. The statute did not address the recovery of fees or costs.

Congress substantially revised the copyright laws in 1831. The new regime continued to divide between authors and the government any statutory penalties "forfeit[ed]" by infringers, 1831 Act §§ 6, 7, 11, 4 Stat. 437-438, and it allowed the holders of certain infringed copyrights to recover "all damages occasioned by such injury," § 9, 4 Stat. 438. The 1831 Act further authorized courts to grant injunctions, "according to the principles of equity," in order to prevent violations. *Ibid.* It also

mandated that, "in all recoveries under this act, either for damages, forfeitures, or penalties, full costs shall be allowed thereon, any thing in any former act to the contrary notwithstanding." § 12, 4 Stat. 438-439.

In subsequent revisions to the copyright law over the next century, Congress reenacted the cost-shifting provision with limited changes to the 1831 Act's "full costs" language.[5] In 1870, Congress removed the *non obstante* clause ("any thing in any former act to the contrary notwithstanding"). Act of July 8, 1870, ch. 230, § 108, 16 Stat. 215. And in 1909, Congress specified (1) that costs would be awarded to all prevailing litigants, whether plaintiff or defendant; (2) that no costs could be awarded in an action "brought by or against the United States or any officer thereof"; and (3) that a court "may award to the prevailing party a reasonable attorney's fee as part of the costs." Act of Mar. 4, 1909, ch. 320, § 40, 35 Stat. 1084.

In 1976, Congress enacted a "comprehensive revision" of the copyright law. *Dowling* v. *United States*, 473 U.S. 207, 223 (1985); see Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2541. Many of the changes were adopted at the recommendation of the U.S. Copyright Office. See S. Rep. No. 473, 94th Cong., 1st Sess. 47-50 (1975). Among other things, the Copyright Office ad-

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[5] In 1856, Congress enacted copyright protection for authors of "any dramatic composition, designed or suited for public representation." Act of Aug. 18, 1856, ch. 169, 11 Stat. 139. The statute allowed such authors to sue for damages, "with costs of suit in any court of the United States." *Ibid.* There is no indication that Congress or the courts viewed this provision as differing in any substantive way from the cost-shifting provision in the 1831 Act, which mandated the allowance of "full costs."

vised that, although "[t]he costs involved in an infringement action are usually relatively small," the awarding of costs should nevertheless "be left to the discretion of the court." House Comm. on the Judiciary, 87th Cong., 1st Sess., *Copyright Law Revision: Report of the Register of Copyrights on the General Revision of the U.S. Copyright Law* 109 (Comm. Print. 1961).[6] The Copyright Office accordingly recommended enactment of language providing that "the court, in its discretion, may allow costs." *Ibid.* Congress adopted the Copyright Office's recommendation by enacting the language now codified at 17 U.S.C. 505, which for the first time made the award of costs discretionary, by stating that a "court in its discretion may allow the recovery of full costs." See *Fogerty*, 510 U.S. at 524 n.11 ("The 1976 Act changed the rule from a mandatory one to one of discretion.").

b. The foregoing history further refutes the Ninth Circuit's suggestion in *Twentieth Century Fox* that "full costs" must be read to encompass otherwise nontaxable litigation-related expenses in order to avoid "effectively read[ing] the word 'full' out of the statute." 429 F.3d at 885. Between 1831 (when the "full costs" language was first adopted) and 1976 (when the provision was made discretionary), the award of costs in an infringement suit was mandatory. During that period, the statutory command that courts award "full costs" could be understood as a directive to grant the full *amount* of taxable costs, rather than as an instruction about the *types* of expenses that could be shifted between parties. See 1 Noah Webster, *An American Dictionary of the English Language* 89 (1828) (first definition of "full": "having within its limits all that it can contain"). Without the

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[6] https://www.copyright.gov/history/1961_registers_report.pdf.

word "full," a court might have thought itself obligated to award *some* costs in every suit, but free to award less than the entire taxable amount in any particular case.

To be sure, once the statute was amended in 1976 to make the awarding of costs permissive, the word "full" no longer constrained the court's discretion as to the size of the award. From that point on, courts could award full costs, no costs, or any amount in between. But the function served by the word "full" during the 145 years in which the statute was mandatory provides more than sufficient answer to *Twentieth Century Fox*'s surplusage rationale. And it is farfetched to suppose that the 1976 Congress, by making the award of "full costs" discretionary, dramatically expanded the range of expenses that a court may award in copyright suits. Cf. *Marvin M. Brandt Revocable Trust* v. *United States*, 572 U.S. 93, 109 (2014) (rejecting surplusage argument based on later-enacted statutes, where such statutes "do not purport to define (or redefine)" earlier statute).[7]

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[7] Petitioners argue that Congress added "full costs" language to the 1831 Act in order to override a generally applicable statutory provision under which a prevailing copyright litigant who recovered less than $500 was barred from recovering his own costs and, at the discretion of the court, could "be adjudged to pay, costs." Pet. Br. 41 (quoting H.R. Rep. No. 2222, 60th Cong., 2d Sess. 19 (1909)). If the 1831 Act's cost-shifting provision had that effect, however, it was not because that law allowed plaintiffs to recover their "full costs"—an instruction only about the amount of costs to be recovered in eligible cases—but rather because it made cost awards mandatory "in all recoveries under this act." § 12, 4 Stat. 438–439.

C. Limiting Cost Awards Under Section 505 To Costs That Are Taxable Under Section 1920 Reflects Sound Copyright Policy

1. "[T]he ultimate aim" of copyright law is "to stimulate artistic creativity for the general public good." *Twentieth Century Music Corp.* v. *Aiken*, 422 U.S. 151, 156 (1975). To achieve that goal, "it is peculiarly important that the boundaries of copyright law be demarcated as clearly as possible." *Fogerty*, 510 U.S. at 527. The Court has accordingly adopted rules regarding the shifting of litigation expenses under 17 U.S.C. 505 that eschew "unconstrained discretion" in favor of predictable "'limits.'" *Kirtsaeng* v. *John Wiley & Sons, Inc.*, 136 S. Ct. 1979, 1985-1986 (2016) (citation omitted); see *id.* at 1986 ("[S]uch unconstrained discretion prevents individuals from predicting how fee decisions will turn out, and thus from making properly informed judgments about whether to litigate.").

In *Fogerty*, the Court held that the same standards that govern a district court's decision to award attorney's fees to a copyright plaintiff should apply as well to a successful defendant. 510 U.S. at 534. In *Kirtsaeng*, the Court adopted a standard for awarding attorney's fees that "give[s] substantial weight to the objective reasonableness of the losing party's position." 136 S. Ct. at 1983. The Court explained that such an approach was "more administrable" than an alternative approach that would have required district courts to make "educated guesses" about the case's anticipated legal significance. *Id.* at 1987-1988. The Court also observed that an objective-reasonableness test would address the "oft-stated concern that an application for attorney's fees 'should not result in a second major litigation.'" *Id.* at

1988 (quoting *Independent Fed'n of Flight Attendants* v. *Zipes*, 491 U.S. 754, 766 (1989)).

2. Construing 17 U.S.C. 505 to authorize recovery only of costs taxable under Section 1920 would best further the goals of the Copyright Act. Section 1920 enumerates the six categories of costs that may be shifted in federal suits generally. Federal district courts are accordingly familiar with cost awards under that provision, and the courts of appeals have established clear guidelines about the types of expenses that are and are not taxable. See, *e.g.*, Wright & Miller § 2677 (discussing cases governing taxation of transcript expenses); *id.* § 2678 (witness fees and expenses). And there is no apparent policy reason that cost awards should be governed by different rules in copyright suits than in patent and trademark cases. See 15 U.S.C. 1117(a) (allowing prevailing trademark plaintiffs to receive "the costs of the action"); see also, *e.g.*, *Summit Tech., Inc.* v. *Nidek Co.*, 435 F.3d 1371, 1374 (Fed. Cir. 2006) (holding, in patent-infringement suit, that "the [trial] court's discretion is limited to awarding costs that are within the scope of 28 U.S.C. § 1920"); cf. *eBay Inc.* v. *MercExchange, L.L.C.*, 547 U.S. 388, 392 (2006) (adopting an "approach" under the Patent Act that was "consistent with [the Court's] treatment of" similar cases "under the Copyright Act")

The Ninth Circuit's approach, by contrast, creates an undefined—and hence unknowable—universe of nontaxable costs that may be awarded to the prevailing party at the conclusion of a copyright suit. In this case, for example, the district court awarded approximately $12 million in nontaxable costs, which included compensation "for expert witness fees, additional e-discovery

fees not included under 28 U.S.C. § 1920, contract attorney services, jury consulting, and other non-taxable costs." Pet. App. 70a; see *id.* at 74a-75a. Other courts likewise have made large awards of nontaxable costs in copyright cases. See, *e.g.*, *Mattel, Inc.* v. *MGA Entm't, Inc.*, No. CV 04-9049, 2011 WL 3420603, at *9 (C.D. Cal. Aug. 4, 2011) (awarding more than $31 million in costs, including for experts), aff'd, 705 F.3d 1108 (9th Cir. 2013).

Respondents have argued that, in the absence of guidelines regarding which expenses are or are not appropriately compensable, district courts will simply exercise their "discretion." Resp. Br. in Op. i, 1, 13, 16, 23. "Without governing standards or principles," however, the Ninth Circuit's rule "threaten[s] to condone judicial 'whim' or predilection." *Kirtsaeng*, 136 S. Ct. at 1986 (quoting *Martin* v. *Franklin Capital Corp.*, 546 U.S. 132, 139 (2005)). This Court should reject an interpretation that would turn 17 U.S.C. 505 into "an open-ended" authority for shifting "all expenses incurred by prevailing" copyright litigants, possibly including, for example, "travel and lodging expenses or lost wages due to time taken off from work." *Murphy*, 548 U.S. at 297.

Finally, limiting the award of costs to those taxable under Section 1920 will help to prevent disputes over cost-shifting from generating "a second major litigation." *Kirtsaeng*, 136 S. Ct. at 1988 (citations omitted). The potential availability of large awards like this one, unconstrained by statutory direction regarding what types of costs may be awarded, would give parties an incentive to fight over every substantial nontaxable item for which reimbursement might be sought. When costs are awarded under Section 1920, by contrast, "the assessment of costs most often is merely a clerical

matter that can be done by the court clerk." *Taniguchi*, 566 U.S. at 573 (citation omitted).

CONCLUSION

The judgment of the court of appeals should be reversed and the case should be remanded for further proceedings.

Respectfully submitted.

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